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FOREIGN NEWS ON APPLES

THE EARLY MARKET FOR FRUIT IN EUROPE 1/

In swinging around the markets in Great Britain during early September very different conditions are to be found from those that existed one year ago. Then home-grown apples were in such light supply as to be negligible, but where found were realizing high prices; now English and Belgian apples are crowding all of the important markets, being inferior in quality and very low in price. Last year's prices for Australian and New Zealand apples were hopelessly low, but were followed by Gravensteins from California at surprisingly high figures from \$4.00 to \$5.00 then being common. But instead of a disastrous summer this year with New Zealand and Australian fruit, supplies were extremely light and prices were along the higher levels; then this encouraging situation is now being followed by a sad disappointment in Sebastopol's Gravensteins. The fruit trade throughout Great Britain seems to have invested largely in this crop and are now being forced to liquidate their stocks at very serious losses. The present prices on the auctions of London, Liverpool and Glasgow of from \$2.50 to \$3.10 per box mean losses of from 75 cents to \$1.25,- practically all of the fruit having been purchased f.o.b. California points.

Then in contrast to the splendid prices which were realized on last year's early consignments of York Imperials, Wealthies, Gravensteins, Duchess and other early apples in barrels, baskets and boxes from the Eastern States, British auction prices of from \$2.50 per barrel up cannot but mean a sad disappointment to those who passed by the splendid early markets in America and again sent their first picking across the water. This has been an especially bad mistake for the growers in Massachusetts and New Hampshire who picked their Gravensteins and Wealthies before they had more than the faintest streak of color and sent them to European markets already burdened with green, unsightly fruit from European orchards, and selling for as little as 75 cents per bushel.

Growers in Virginia have also shown just as poor judgment in picking such varieties as Ben Davis, Gano, Greening, Albermarle Pippin and Baldwin in August and having them on the British markets the first week in September, when they should have been saved for January or February. Many of these apples will realize the Virginians less than \$2.00 per barrel. Other growers and shippers should profit by the experience of these unfortunate early shippers, especially as regards the Continental markets.

English apples being rushed to market

Commission merchants in most British markets state that the "home crop" of apples is turning out larger than was at first anticipated. The exceedingly rainy summer has resulted in very poor quality so that the English grovers are

1/ Report of Edwin Smith dated September 9, 1927.

taking no chances with storing the scabby, mis-shapen fruit but are loading it on the markets as soon as it has been picked. The harvest will largely be over by the end of September but, although the present weeks are witnessing the peak of the English shipments, it is probable that much of this fruit will be hanging around the markets during all of the autumn months. It seems certain that this fruit will interfere with all American apples excepting choice, highly colored eating varieties until about the middle of October.

The British markets are really short of good, colored eating apples. However, apple prices are generally so low that boxed apples seem to move into consumption very slowly at anything but moderate figures. It should be stated "Virginia Early Export" York Imperials do not meet this demand for highly colored eating apples, though present prices are the result of the trade's attempt to have them meet this demand.

Economic conditions still depressed

Industrial conditions throughout England and Scotland are very far from what might be desired. My springtime conjecture that ship-building on the Clyde and Tyne would be almost normal by autumn is far from being realized. The pick-up in ship-building has been very slow and at present does not represent anywhere near full time. The coal industry about Newcastle is also said to be in poor shape. My visit to Glasgow was thus covered with gloom because not only does the Scottish trade state that industrial conditions are bad, but that the buying power of the people seems but little better than last year at this time. Then the strikers and others out of work were getting assistance from various charitable institutions, as well as from the Unions and were having their rent passed as well. Now this assistance has ceased and those who are working are having their wages drawn upon to pay past debts. Ready money to buy fruit seems really harder to find than it was last year during the prolonged strike.

Coming southward to Liverpool and Lancashire a similar gloom is spread over the country. In spite of the extremely low price of raw cotton last year the Lancashire cotton trade does not seem to have gotten back on its feet and new foreclosures are reported all of the time, while an endless discussion is carried on, both at public meetings and in the press as to the ways and means of reviving the industry. In all of these districts it is pointed out that the British subject who makes a worthwhile income has to pay over to the government \$20.00 out of every \$100.00 he receives as income tax. All in all the country does not present a very cheerful picture to return to, and as far as apples are concerned it would seem that the American growers are fortunate in that they do not have excessive quantities to market abroad this year.

Late apple demand on the continent

Authentic reports come to me that the apple crops in Holland, Switzerland and Northern Italy are developing to be larger than were at first anticipated. In addition to the apple crop grown in home orchards Germany is receiving ample supplies from those nearby countries. The Scandinavian countries are

also being supplied with Swiss, Bohemian and Tirolese apples which sell in those countries at the rate of from \$1.80 to \$3.30 per bushel box, while Dutch cooking apples sell at from \$1.10 to \$1.75 per bushel.

While these markets will absorb a limited quantity of luxury apples as soon as Jonathans are fit to ship, growers and shippers should give cautious consideration to these prices on ordinary apples before they consign ordinary apples, or large quantities of extraordinary apples, to Continental markets. Ordinarily these supplies of domestic apples do not clean up to make a market for outside fruit until December 1st. I have seen large quantities of Bohemian and Swiss apples lying in barges on the River Spree at Berlin after January 1st and have been told that these supplies hang about until late in the winter, though their condition after January 1st does not make this fruit serious competition for clean, fresh fruit that has been properly stored and shipped under refrigeration. This is a year to be conservative in shipping to Holland, Belgium, Germany, Denmark, Norway and Sweden until after December 1st.

Judging from supplies on the British markets and reports from the Continent, the European pear crop is very short and of poor quality. A reversal of conditions in France owing to a long rainy season during the summer caused a great shadow to be thrown over their early prospects of a bumper pear crop. These conditions are reflected in prices being realized on American Bartletts, Clairgeau and Hardy pears. The high prices will limit the quantities that can be absorbed, though we may expect the demand to be widespread over all markets and to cover a long season.

From all reports coming to me, industrial conditions in Germany present a much more cheerful picture than is had in Great Britain. This also has its effect upon such surrounding countries as Holland, Denmark and Sweden. This gives hope that, once the Continental market opens up, a normal demand for outside fruit will prevail during the winter months. This demand will not attract the large volumes that it did last year, however, since the higher American fruit values will greatly curtail the per capita consumption in those countries of low wages.

While this first report of the season seems a gloomy one, yet there are hopes that future ones will take on a better tone. Conditions in Great Britain are not without a close relationship to some very unscientific marketing. As regards the deplorable California Gravenstein situation it may be observed that the port of Liverpool alone had received on September 7th 50,000 more boxes (most of which were Graversteins) than had been received on the same date last year; receipts of barreled apples at Liverpool also exceeded those of the same date in 1926. The apples in barrels have been anything but attractive, most of them having been rushed off from the trees weeks before they should have been picked. The fact that American apples have been selling for less than might have been secured in New York, or in some cases at the shipping point, will tend to make shippers more conservative. In the meantime the market stands in need of attractive, red eating apples, - and it is nearly a month before Jonathans from the Pacific Northwest will be reaching us in volume. This should cause a rapid readjustment so that apple values in Great Britain will assume a truer relation to values in America.

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